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Administrative and Budgetary Aspects of the Financing of the United Nations Peacekeeping Operations: financing of the United Nations peacekeeping operations

Financial performance report of the support account for peacekeeping operations for the period from 1 July 1999 to 30 April 2000

Budget for the support account for peacekeeping operations for the period from 1 July 2001 to 30 June 2002

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financial performance of the support account for peacekeeping operations for the period from 1 July 1999 to 30 June 2000 (A/55/861). The Committee has also considered the report of the Secretary-General on the budget for the support account for the period from 1 July 2001 to 30 June 2002 (A/55/862). During its consideration of both reports, the Committee met with the representatives of the Secretary-General, who provided additional information and clarification.

Financial performance report for the period from 1 July 1999 to 30 June 2000

2. The Advisory Committee recalls that the General Assembly, in its resolution 53/12 B of 8 June 1999, authorized an amount of $34,887,100 for post and non-post requirements for the period from 1 July 1999 to 30 June 2000, and approved a total staffing establishment of 400 posts. In its subsequent resolution 54/243 of 23 December 1999, the Assembly approved an additional 67 posts for the same period and authorized the Secretary-General to enter into commitments not exceeding $3,501,600 for the additional staff costs. The total resources made available for the support account for the period from 1 July 1999 to 30 June 2000 therefore amounted to $38,388,700, including $34,887,100 prorated among the appropriations and assessment of the individual peacekeeping missions for the period and $3,501,600 in commitment authority.

3. The expenditures for the period amounted to $38,360,800, resulting in an unutilized balance of $27,900. As indicated in the performance report, the unutilized balance is largely the result of savings under common services, offset by higher expenditures under salaries and overtime (A/55/861, para. 11).

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4. The Advisory Committee notes that for the initial 400 posts approved, a vacancy factor of 8 per cent and nil was applied to Professional and General Service posts, respectively; and that for the additional 67 posts, a 50 per cent vacancy turnover factor was applied. The Committee also notes that "the actual average vacancy rate experienced for all posts during the period was 10.9 per cent" (ibid., para. 9). However, as can be seen from table 1, over-expenditures of $59,500 and $73,200 are reported under posts and overtime, respectively. The Committee sought clarification in this regard and was informed that the salary costs and post adjustment multiplier were increased in November 1999, resulting in higher actual salary costs than budgeted. Furthermore, Secretariat offices involved in peacekeeping operations, particularly the Department of Peacekeeping Operations, were faced with exceptional demands to provide support to the start-up of two large complex and multidisciplinary peacekeeping operations, the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations Transitional Administration in East Timor (UNTAET), as well as the start-up of United Nations Observation Mission in the Democratic Republic of the Congo (MONUC), and the expansion of the United Nations Observer Mission in Sierra Leone (UNOMSIL)/United Nations Mission in Sierra Leone (UNAMSIL). The additional related workload, which could only be performed by a limited number of experienced staff with the requisite technical knowledge, led to the use of overtime, particularly in the Field Administration and Logistics Division of the Department of Peacekeeping Operations.

5. The Advisory Committee recalls that, in its previous report, it requested that precise information regarding training activities be included in future performance reports, along with the reasons for not being able to positively comply with Member States' requests (A/54/832, para. 4). In this regard, the Committee welcomes the information provided in annex IV to document A/55/861. However, the Committee points out with regard to section C of annex IV, that the indication "No funding available", cited as the reason for which support was not provided in two specific cases, is misleading; such training, the Committee was informed upon inquiry, is not provided by the Training Unit but would relate to the Mine Action Service (see paras. 16-19 below).

6. The action to be taken by the General Assembly in connection with the performance report is indicated in paragraph 13, of the Secretary-General's report (A/54/861). **The Advisory Committee recommends acceptance of the proposal to appropriate the commitment authority of $3,501,600 approved by the General Assembly in its resolution 54/243, to be prorated among the individual active peacekeeping operations. The Committee also recommends that the unencumbered balance of $27,900, interest income of $1,272,000 and miscellaneous income of $1,000, totalling an amount of $1,300,900, for the period from 1 July 1999 to 30 June 2000, be applied to the resources required for the period from 1 July 2001 to 30 June 2002.**

Cost estimates for the period from 1 July 2001 to 30 June 2002

7. In his report, the Secretary-General estimates support account resources for the period from 1 July 2001 to 30 June 2002 at $73,645,500 gross ($64,361,800 net), which would provide for the staffing of 562 temporary posts (A/55/862). The Advisory Committee recalls that the General Assembly, in its resolution 54/243 B of 15 June 2000, approved a total amount of 469 temporary posts funded under the support account for the period from 1 July 2000 to 30 June 2001 and that, in its resolution 55/238 of 23 December 2000, it approved an additional 93 posts for the remaining six-month period from 1 January to 30 June 2001.

8. As shown in table 2, the amount proposed, in gross terms, represents an increase of $13,755,400 ($12,467,800 in net terms) over the total amount approved for the period from 1 July 2000 to 30 June 2001 of $59,890,100 gross. Most of the increase is due to the full 12-month costing of the additional 93 additional posts and non-post resources approved in resolution 55/238, partially offset by the deletion of a number of non-recurrent cost items. A vacancy turnover factor of 8 per cent for Professional staff and 2.5 per cent for General Service staff has been applied in the costing exercise.

9. The Advisory Committee further notes from paragraphs 12 and 13 of the report that the Secretary-General is proposing requirements at the "maintenance level", pending the submission of the currently ongoing comprehensive review and capacity study of the

structures that play a role in supporting peacekeeping operations to the legislative bodies and submission, thereafter, to the General Assembly of revised resource requirements "early during the fifty-sixth session". **The Advisory Committee points out, however, that the timing of the submission of the results of the above-mentioned studies and their examination by the competent intergovernmental bodies will determine whether final action is taken during the first part of the fifty-sixth session. Given that after action by the General Assembly, it would take some additional time for the preparation of revised estimates, the Committee is of the opinion that it would be more prudent to plan for the re-consideration of the support account by the Committee at its winter 2002 session, with subsequent consideration of the Secretary-General's report and the related report of the Committee by the General Assembly.**

10. The Advisory Committee was informed that recruitment for the 93 additional posts approved under resolution 55/238 was being actively pursued and that the intention was to make offers of appointment to the selected candidates between August and September 2001. The Committee exchanged views with representatives of the Secretary-General on prospects for faster recruitment of personnel. The Committee was informed that the Department of Peacekeeping Operations had worked with the Office of Human Resources Management to reduce the recruitment period from the standard time frame of 260 to 190 days. **In view of the need to fill these staff positions in support of peacekeeping operations as quickly as possible, the Advisory Committee is of the opinion that a 190-day timeframe is still too long, particularly for posts authorized on an emergency basis. The Committee encourages the Secretary-General to continue to bring to the attention of the General Assembly any measures taken to further streamline the process and shorten the recruitment period. The Committee, while recalling the comments made in its first report on the proposed programme budget for 2000-2001 (A/54/7, paras. 103-105), reiterates the need for the Secretary-General to draw attention to any practical problems he is encountering in implementing existing policies and guidelines on recruitment and placement of personnel, particularly for peacekeeping operations.**

11. The Advisory Committee was informed that, at 21 March 2001, 36 of the 93 additional posts had been filled on a temporary basis to provide urgent support in the interim, including help in the recruitment process. Moreover, by the end of March 2001, there were 64 vacancies in relation to the 442 support account posts currently authorized for the Department of Peacekeeping Operations, of which 17 were waiting to be encumbered by already selected candidates — hence a vacancy rate of 10.7 per cent.

12. The Advisory Committee notes that for each unit or service workload data is provided in the report. **The Advisory Committee has repeatedly indicated how essential the provision of accurate workload data and analysis is and, in this connection, the Committee recalls its comments in paragraph 14 of document A/54/832. However, the Committee reiterates that reports on estimates of resources filled with raw workload statistics are not helpful. Workload data can only be of use to the legislative bodies if they are analysed in a way that justifies the existing resource allocation or the additional required resources. The representatives of the Secretary-General assured the Committee that the presentation of this type of data would change with the submission of the proposed programme budget for 2002-2003, at which time changes would be introduced in conformity with the results-based budgeting technique, as approved by the General Assembly in its resolution 55/231 of 23 December 2000. The Committee expects, therefore, that its request will be implemented in the context of the next support account proposals.**

13. **The Advisory Committee also requests that extrabudgetary resources provided be clearly identified and disclosed in future cost estimates reports, such as those provided for the Peacekeeping Doctrine and Best Practices Unit (formerly known as Lessons Learned Unit), Mine Action Service or training assistance.**

14. Section V of the report provides detailed information with regard to the outstanding tasks remaining for completed and closed peacekeeping operations for the period from 1 July 2001 to 30 June 2002. The Advisory Committee notes that other outstanding tasks in the Field Administration and Logistics Division are included therein, besides mission liquidation. With regard to the latter, however, the Committee recalls that, in its omnibus report on the financing of peacekeeping operations (A/54/841, para. 34) and its report on the support account for

peacekeeping operations (A/54/832, para. 33), it had indicated "that capacity for and the efficiency of mission liquidation activities are areas that require sustained improvement on the part of the Secretariat".

15. **The Advisory Committee expresses serious concern at what appears to be a deterioration in the capacity of the Secretariat to handle current liquidation and other tasks, as well as to eliminate backlogs in such areas as claims and information and personnel management services. The Committee recommends that the short and long-term solution to this problem be addressed seriously, and that concrete remedial proposals be presented in the context of the reports that the Secretary-General will submit after the capacity study and comprehensive review referred to in paragraph 9 above.**

16. The Advisory Committee notes from table 2 that the resources for training have more than doubled since 1999-2000, from $333,800 to a proposed $880,500 for 2001-2002. In its previous report the Committee had requested that more information be provided on the training programmes in the performance and the cost estimates' report (A/54/832, paras. 4 and 20). The Committee welcomes the information provided in the Secretary-General's report (A/55/862, paras. 46-48), which indicates in detail the training activities carried out by the Training and Evaluation Service of the Department of Peacekeeping Operations, as well as that provided in the performance report for the period ending 30 June 2000 (A/55/861, annexes II and IV).

17. The Advisory Committee exchanged views with the representatives of the Secretary-General on the training programmes. The Committee notes that the resources for training of civilian staff are included in the programme budget of the Organization and managed by the Office of Human Resources Management, whereas the support account resources are strictly for the support of training activities undertaken by Member States. The representatives of the Secretary-General informed the Committee that the increase in the training provision in the estimates reflected the priority given by Member States to this item. In its resolution 55/238, the General Assembly, authorized seven additional support account posts to address the concerns about limited training resources, thus increasing the ability of the Service to meet the requests of Member States for assistance. The Committee was informed that there had been cases where training activities had been sponsored by Member States and the cost to the United Nations was minimal, since the sponsors of the activities met those costs. **The Advisory Committee is of the opinion that the level and source of resources provided for this purpose should be fully disclosed in the context of the performance report. The Committee requests that the number of unmet requests by Member States and reasons therefor continue to be monitored and that, if the number were to show a persistent growth trend over time, the matter be drawn to the attention of the General Assembly with appropriate remedial proposals.**

18. In its omnibus report, the Advisory Committee requested that the criteria for setting training priorities be stated in a more transparent manner in the report (A/54/841, para. 39). The Committee understands that a large number of Headquarters staff has been trained in administrative matters of peacekeeping operations, but has not been deployed to the missions. **The Advisory Committee reiterates its view that before personnel are selected for training their availability for mission service should be confirmed by the Administration.**

19. The Advisory Committee recognizes the importance of training in view of the critical role it plays in the success of United Nations peacekeeping operations. **To this end, the Advisory Committee recommends that the training programmes funded from the support account, as well as those funded from the regular budget for the civilian staff under the aegis of Office of Human Resources Management for peacekeeping activities, be systematically evaluated in order to ensure that these two aspects of training are achieving their stated objectives.**

20. In his report, the Secretary-General indicates that a provision for $1,500,000 is made for "external contractual services in respect of ongoing information technology maintenance and support tasks" (A/55/862, para. 56). In this regard, the Committee was informed that two contractors were engaged to provide these services, including the International Computing Center.

21. The Secretary-General also refers to the global maintenance contract for the maintenance of electronic data-processing equipment for which a provision of $392,700 is made based on a unit cost of $1,100 for 357 desktops, inclusive of the associate servers and

network costs (ibid., para. 52). The Committee notes that the unit cost is rising to $1,200 after 1 January 2002. **The Advisory Committee intends to follow up on this question in the context of its review of the proposed programme budget for 2002-2003.**

22. The Advisory Committee recalls that in its previous report it had requested that an assessment be made of the space requirements (including space allocation) of the Department of Peacekeeping Operations, taking into account the additional posts provided pursuant to resolution 54/243, and that remedial action, if necessary, be taken as soon as possible (A/54/832, para. 19). The Committee notes that the Secretary-General indicates in his report that, following a review of the space requirements (including space allocation) of the Department of Peacekeeping Operations, which took into account the 93 additional posts provided by the General Assembly in its resolution 55/238, a provision for $4,827,500 is made in respect of allocation of space for the 562 posts approved under the support account, as well as a non-recurrent requirement of $1,674,700 to provide for the renovation and alteration of new office space to accommodate existing and new staff of the Department (A/55/862, para. 94).

23. The Advisory Committee sought additional clarification in this regard and was informed that the total rental provision in the support account budget for the period from 1 July 2000 to 30 June 2001 amounts to $2,943,900, comprising the $1,752,500 initially approved in General Assembly resolution 54/213 for the period for 469 support account posts, and an amount of $1,191,400 related to the 93 additional posts approved by the General Assembly in its resolution 55/238 for the six-month period from 1 January 2001 to 30 June 2001, based on the rental rates applicable for the biennium 2000-2001.

24. The total rental provision in the maintenance budget for the 12-month period from 1 July 2001 to 30 June 2002 amounts to $6,610,000, comprising the amount for space allocation for the 562 support account posts, which should be corrected to read $4,935,300, and the non-recurrent costs for the renovation and alteration of new office space ($1,674,700), on the basis of the standard rates applicable for the programme budget for the biennium 2001-2002.

25. The Advisory Committee notes that, at present, the staff of the Department of Peacekeeping Operations are located on six different floors in the Secretariat, four floors in the UNITAR building, one floor in the FF building on 45 Street and another floor in the DC1 building. In addition, space for additional staff will become available in Nigeria House in April 2001. The representatives of the Secretary-General, however, have expressed concern that the Department was experiencing administrative and other management difficulties as a result of staff being located in different buildings at Headquarters. **The Advisory Committee trusts that the issue of allocation of space to the Department of Peacekeeping Operations will be addressed as a matter of urgency. The Committee requests that information be provided in the next report on the support account on measures taken to improve this situation. Moreover, the Committee intends to revert to the matter in the context of its consideration of the proposed programme budget for the biennium 2002-2003. In the meantime, the Committee draws attention to the need to continue to identify more support functions that could appropriately be delegated to field missions, thereby reducing the pace of staff growth at Headquarters.**

26. The actions to be taken by the General Assembly in connection with the financing of the support account for the 12-month period from 1 July 2001 to 30 June 2002 are set out in paragraph 5 of the report of the Secretary-General (A/55/862).

27. **The Advisory Committee agrees with the recommendations of the Secretary-General, as set out in paragraph 5 of his report (A/55/862). The Committee notes that one of the actions proposed, in subparagraph (d), is to "prorate the balance of $75,846,200 gross ($66,562,500 net) among the individual active peacekeeping operation budgets to meet the requirements of the support account for the period from 1 July 2001 to 30 June 2002". Upon inquiry, the Committee was informed that, in order not to distort the assessment rates for active peacekeeping operations, a proposal would be made to prorate also those missions for which commitment authority had been granted. The Committee agrees with this procedure. However, in order not to perpetuate assessment distortion, the Advisory Committee recommends the use of the most realistic prospective level of resources for the missions concerned. To this end, the Committee**

recommends that for the purpose of prorating the amount of $75,846,200 gross, the amounts for the following missions should be: the United Nations Interim Force in Lebanon (UNIFIL) ($199.1 million), the United Nations Mission in Ethiopia and Eritrea (UNMEE) ($180 million), UNAMSIL ($550 million), UNTAET ($563 million); and MONUC (to be determined, as indicated in the Advisory Committee's omnibus report on the financing of peacekeeping operations (A/55/874, para. 11)).